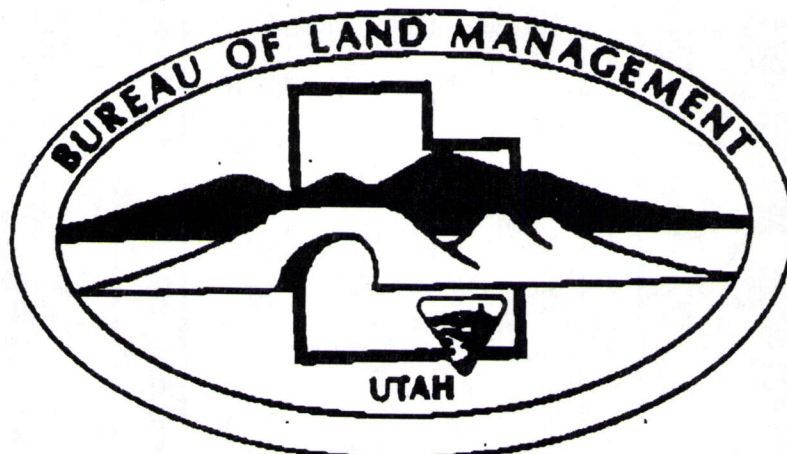


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RICHFIELD DISTRICT OFFICE
FAX NUMBER: (435) 896-1550
OFFICE NUMBER: (435) 896-1500

To: Lynn KunzlerFrom: MichaelSubject: GPNumber of Pages: 3

FAX Machine No.: _____

Date: _____

Time: _____

USO Log No.: _____

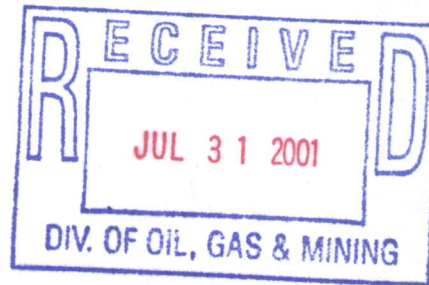
Comments:

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DIVISION OF
OIL, GAS AND MININGUSO Form 1542-3
(August 1989)

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(U-050)

June 29, 2001

Mr. Richard Hope, Manufacturing Manager
Georgia-Pacific Corporation
200 South State Street
Sigurd, Utah 84657

Dear Mr. Hope:

As you are aware, Georgia-Pacific Corporation had agreed to review the Sigurd plan of operations, to provide updated maps of disturbed lands, and to modify the plan of operations as needed. The Bureau of Land Management (BLM) and the Utah Division of Oil, Gas, and Mining (DOGM) have been party to the discussions and meetings with Georgia-Pacific Corporation. We now understand Georgia-Pacific Corporation plans to reclaim the mining-related disturbances in the vicinity of Sigurd that are part of your operations.

Under the regulations at 43 CFR 3809 that became effective on January 20, 2001, BLM must review the bond that is held for all plans of operations on federal land that were approved before that effective date. The deadline for the review is November 20, 2001, as published in the Federal Register on June 15, 2001. These regulations would apply to federal land not to the patented mining claims; DOGM under state regulations has authority over private land. Even though you are planning to reclaim the mining-related disturbances, BLM will still need to have a bond that meets the current regulatory requirements and must review that bond prior to November 20.

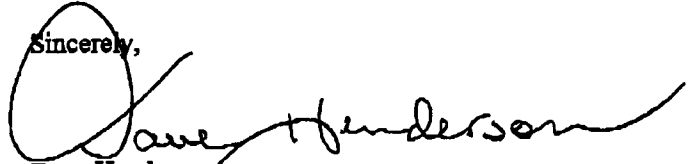
At this time, you should submit a current map (or maps) of the existing and reclaimed mining-related disturbances, the land status of those areas, and the dates that those areas were disturbed. Mining-related disturbances could include exploratory or development drill holes and pads; quarries; access roads; ramps; ore and topsoil stockpiles; and waste rock, overburden, and reject wallboard dumps. A schedule is also needed for the proposed reclamation work. When we receive the map, a joint inspection that involves BLM, DOGM, and your company will need to be completed at the project area.

BLM requests your timely cooperation in submitting the map (or maps) and schedule to this office. Michael Jackson and Russell Harms agreed to within 30 days or the end of July, when they spoke on June 27. The map and schedule should also be submitted to DOGM. Reclamation will need to conform to the approved plans of operations and the current state and federal regulations.

If some stages of the reclamation on federal land are completed and accepted as satisfactory prior to the November 20th date, the required bonding may be reduced. However, all reclamation requirements probably cannot be met by that date; thus, as stated, BLM must have a bond, that can be held in conjunction with DOGM, that conforms to the new regulations. After submission of the map and reclamation schedule, BLM will need a detailed reclamation cost estimate in order that BLM can verify whether the current bonding agreement now in place with DOGM is adequate.

If you would like a copy of the current federal regulations, those are available through the BLM home page or contact Michael Jackson (435) 896-1522. If you have any questions, please also contact him.

Sincerely,



Dave Henderson
Associate Field Manager

cc: Russell Harms, Environmental Engineer, Georgia-Pacific Corporation, P. O. Box 337350, North Las Vegas, NV 89033-0040

Lynn Kunzler, Division of Oil, Gas and Mining, State of Utah, Box 145801, Salt Lake City, Utah 84114-5801

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